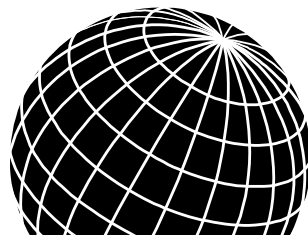


# **DODGE CITY RESORT & GAMING COMPANY, LLC.**

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## **FISCAL IMPACT ANALYSIS OF PROPOSED DEVELOPMENT**

**September 2008**



**MERIDIAN**  
**Business Advisors**

**Meridian Business Advisors  
660 Sierra Rose Dr., Suite 2  
Reno, NV 89511**

**FISCAL IMPACT--5 YEAR SUMMARY\***  
**DODGE CITY CASINO RESORT**

\* 3 Years Construction + 2 Full Years Operating

<b>Proposer's Estimates</b>				
	<u>State</u>	<u>Dodge City</u>	<u>Ford County</u>	<u>K-12 Schools</u>
<b><u>REVENUE:</u></b>				
Gaming Rev. Sharing	\$ 31,800,000	\$ 1,987,500	\$ 1,987,500	\$ -
Property Tax	-	1,834,894	1,478,678	-
Sales/Use Tax	-	-	-	-
Income Tax	-	-	-	-
Lodging Tax	-	-	-	-
Developer Contributions	-	68,450	-	-
<b>Total</b>	<b>\$ 31,800,000</b>	<b>\$ 3,890,844</b>	<b>\$ 3,466,178</b>	<b>\$ -</b>
<b><u>COSTS:</u></b>				
Law Enforcement	\$ -	\$ 392,119	\$ -	\$ -
Public Works	-	114,083	-	-
Education	-	-	-	251,288
Fire Protection/EMS	-	161,338	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 667,540</b>	<b>\$ -</b>	<b>\$ 251,288</b>
<b>Surplus/(Deficit)</b>	<b>\$ 31,800,000</b>	<b>\$ 3,223,304</b>	<b>\$ 3,466,178</b>	<b>\$ (251,288)</b>

<b>Consultant's Estimates</b>				
	<u>State</u>	<u>Dodge City</u>	<u>Ford County</u>	<u>K-12 Schools</u>
<b><u>REVENUE:</u></b>				
Gaming Rev. Sharing	\$ 38,144,503	\$ 2,384,031	\$ 2,384,031	\$ -
Property Tax	67,118	2,167,736	1,746,905	2,507,085
Sales/Use Tax	3,421,500	645,566	1,065,184	-
Income Tax	2,398,455	-	-	-
Building Fees	-	-	-	-
Lodging Tax	594,625	785,354	185,119	-
School State Aid	-	-	-	9,462,569
Developer Contributions	-	-	-	-
<b>Total</b>	<b>\$ 44,626,201</b>	<b>\$ 5,982,687</b>	<b>\$ 5,381,240</b>	<b>\$ 11,969,654</b>
<b><u>COSTS:</u></b>				
Law Enforcement	\$ -	\$ 1,093,737	\$ 909,317	\$ -
Public Works	-	-	-	-
Education	-	-	-	21,145,386
Building Inspection	-	-	-	-
Fire Protection/EMS	-	390,261	-	-
Admin. Overhead	-	305,701	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,789,698</b>	<b>\$ 909,317</b>	<b>\$ 21,145,386</b>
<b>Surplus/(Deficit)</b>	<b>\$ 44,626,201</b>	<b>\$ 4,192,989</b>	<b>\$ 4,471,923</b>	<b>\$ (9,175,732)</b>

FISCAL IMPACT--CONSTRUCTION	
DODGE CITY CASINO RESORT	

May-09

Jul-11

## Proposer's Estimates: 2009-2011

	<u>State</u>	<u>Dodge City</u>	<u>Ford County</u>	<u>K-12 Schools</u>
<b><u>REVENUE:</u></b>				
Gaming Rev. Sharing	\$ 16,200,000	\$ 1,012,500	\$ 1,012,500	\$ -
Property Tax	-	999,200	805,221	-
Sales/Use Tax	-	-	-	-
Income Tax	-	-	-	-
Lodging Tax	-	-	-	-
Developer Contributions	-	32,881	-	-
<b>Total</b>	<b>\$ 16,200,000</b>	<b>\$ 2,044,581</b>	<b>\$ 1,817,721</b>	<b>\$ -</b>
<b><u>COSTS:</u></b>				
Law Enforcement	\$ -	\$ 199,900	\$ -	\$ -
Public Works	-	54,801	-	-
Education	-	-	-	160,988
Fire Protection/EMS	-	82,250	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 336,951</b>	<b>\$ -</b>	<b>\$ 160,988</b>
<b>Surplus/(Deficit)</b>	<b>\$ 16,200,000</b>	<b>\$ 1,707,630</b>	<b>\$ 1,817,721</b>	<b>\$ (160,988)</b>

**Voluntary Contributions to State and Local Governments:**

1. Road/streets, sewer/water and storm drains improvements estimated at \$54,800 from 2009-11, 60% paid for by proposer (shown under Dodge City). (Note: Proposer's application did not state infrastructure cost estimate was in 000s; Consultant carried this amount over as reported in template.)

**Consultant's Estimates: 2009-2011**

<b><u>REVENUE:</u></b>	<b><u>State</u></b>	<b><u>Dodge City</u></b>	<b><u>Ford County</u></b>	<b><u>K-12 Schools</u></b>
Gaming Rev. Sharing	\$ 2,678,841	\$ 167,428	\$ 167,428	\$ -
Property Tax	-	-	-	-
Sales/Use Tax	730,223	137,778	227,334	-
Income Tax	282,101	-	-	-
Building Fees	-	-	-	-
Lodging Tax	-	-	-	-
School State Aid	-	-	-	1,936,222
Developer Contributions	-	-	-	-
<b>Total</b>	<b>\$ 3,691,166</b>	<b>\$ 305,206</b>	<b>\$ 394,761</b>	<b>\$ 1,936,222</b>
<b><u>COSTS:</u></b>				
Law Enforcement	\$ -	\$ 144,974	\$ 101,957	\$ -
Public Works	-	-	-	-
Education	-	-	-	4,450,827
Building Inspection	-	-	-	-
Fire Protection/EMS	-	45,295	-	-
Admin. Overhead	-	39,195	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 229,464</b>	<b>\$ 101,957</b>	<b>\$ 4,450,827</b>
<b>Surplus/(Deficit)</b>	<b>\$ 3,691,166</b>	<b>\$ 75,741</b>	<b>\$ 292,804</b>	<b>\$ (2,514,605)</b>

**Consultant's Comments:**

1. Developer Contributions under Proposer's estimates are not carried down to Consultant's estimate as roads, sewer and water infrastructure costs are not estimated due to lack of reliable cost data and due to the large variance between the two proposers' estimates.

**FISCAL IMPACT: 2012-2013**  
**DODGE CITY CASINO RESORT**

<b>Proposer's Estimates</b>				
	<u>State</u>	<u>Dodge City</u>	<u>Ford County</u>	<u>K-12 Schools</u>
<b><u>REVENUE:</u></b>				
Gaming Rev. Sharing	\$ 15,600,000	\$ 975,000	\$ 975,000	\$ -
Property Tax	-	835,694	673,457	-
Sales/Use Tax	-	-	-	-
Income Tax	-	-	-	-
Lodging Tax	-	-	-	-
Developer Contributions	-	35,569	-	-
<b>Total</b>	<b>\$ 15,600,000</b>	<b>\$ 1,846,263</b>	<b>\$ 1,648,457</b>	<b>\$ -</b>
<b><u>COSTS:</u></b>				
Law Enforcement	\$ -	\$ 192,219	\$ -	\$ -
Public Works	-	59,282	-	-
Education	-	-	-	90,300
Fire Protection/EMS	-	79,088	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 330,589</b>	<b>\$ -</b>	<b>\$ 90,300</b>
<b>Surplus/(Deficit)</b>	<b>\$ 15,600,000</b>	<b>\$ 1,515,674</b>	<b>\$ 1,648,457</b>	<b>\$ (90,300)</b>
<b>Voluntary Contributions to Community and Governments (not included above):</b>				
1. Goal of 1% of GGR for local tourism efforts (Source: Presentation to Gaming Review Bd.)				
2. Goal of \$50,000 for "Stipends" (Source: Presentation to Gaming Review Bd.)				

<b>Consultant's Estimates</b>				
	<u>State</u>	<u>Dodge City</u>	<u>Ford County</u>	<u>K-12 Schools</u>
<b><u>REVENUE:</u></b>				
Gaming Rev. Sharing	\$ 35,465,661	\$ 2,216,604	\$ 2,216,604	\$ -
Property Tax	67,118	2,167,736	1,746,905	2,507,085
Sales/Use Tax	2,691,277	507,788	837,850	-
Income Tax	2,116,354	-	-	-
Building Fees	-	-	-	-
Lodging Tax	594,625	785,354	185,119	-
School State Aid	-	-	-	7,526,346
Developer Contributions	-	-	-	-
<b>Total</b>	<b>\$ 40,935,035</b>	<b>\$ 5,677,481</b>	<b>\$ 4,986,478</b>	<b>\$ 10,033,431</b>
<b><u>COSTS:</u></b>				
Law Enforcement	\$ -	\$ 948,762	\$ 807,359	\$ -
Public Works	-	-	-	-
Education	-	-	-	16,694,559
Building Inspection	-	-	-	-
Fire Protection/EMS	-	344,966	-	-
Admin. Overhead	-	266,506	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,560,234</b>	<b>\$ 807,359</b>	<b>\$ 16,694,559</b>
<b>Surplus/(Deficit)</b>	<b>\$ 40,935,035</b>	<b>\$ 4,117,247</b>	<b>\$ 4,179,119</b>	<b>\$ (6,661,127)</b>

**Consultant's Comments:**

		<u>2012</u>		<u>2012</u>
Dodge City Casino Resort	GGR Estimate	\$ 46,118,283	Visitors	770,878
Consultants	GGR Estimate	\$ 48,578,000	Visitors	722,280

**APPENDIX 1**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**BUILDOUT ASSUMPTIONS AND ESTIMATED CONSTRUCTION COST**

<u>YEAR</u>	<u>USE TYPE</u>	<u>SQUARE FEET CONSTRUCTED</u>	<u>ESTIMATED CONSTR. COST</u>	<u>ESTIM. CONSTR. MATERIALS COST</u>	<u>FF&amp;E PURCHASES</u>
<b>Year 1</b>	Temporary Structure	-	\$ 5,900,000	\$ 2,950,000	\$ 10,541,000
<b>Year 2</b>	Casino	-	8,782,197	4,391,099	2,423,474
	Hotel	-	8,646,696	4,323,348	71,110
	Restaurants	-	1,142,635	571,318	9,397
	Entertainment	-	947,403	473,702	7,791
	Retail	-	214,402	107,201	1,763
<b>Subtotal</b>		<b>-</b>	<b>19,733,333</b>	<b>9,866,667</b>	<b>2,513,536</b>
<b>Year 3</b>	Casino	87,043	4,391,099	2,195,549	9,710,269
	Hotel	85,700	4,323,348	2,161,674	1,638,344
	Restaurants	11,325	571,318	285,659	216,502
	Entertainment	9,390	473,702	236,851	179,511
	Retail	2,125	107,201	53,600	40,624
<b>Subtotal</b>		<b>195,583</b>	<b>9,866,667</b>	<b>4,933,333</b>	<b>11,785,250</b>
<b>TOTAL</b>		<b>195,583</b>	<b>\$ 35,500,000</b>	<b>\$ 17,750,000</b>	<b>\$ 24,839,786</b>

**APPENDIX 1, ASSUMPTIONS:**

- Construction of the development, including the temporary facility, is estimated to take 31 months (December 2008 to July 2011).

**Sq. Footage**

Casino	87,043	800 slot machines, 20 table games
Hotel	85,700	125 guest rooms, both standard and premium
Restaurants	11,325	restaurants and bars
Entertainment	9,390	entertainment/convention space
Retail	2,125	retail shops

**Total 195,583**

Analysis does not include proposed sporting center as no construction information is provided by the Developer in the template.

Source: Developer's revised application (final template).

- Construction costs are estimated using above square footages and cost breakdown provided by Dodge City Resort & Gaming Company LLC in its template document (costs are added in the year shown by the developer):

	<b>Land</b>	<b>Building</b>	<b>FF&amp;E*</b>	<b>Total**</b>
	\$ 5,000,000	\$ 30,500,000	\$ 24,839,786	\$ 60,339,786

\*FF&E-furniture, fixtures and equipment, including gaming equipment which is allocated to casino.

\*\*Total amounts do not equal investment amounts as the analysis excludes soft costs such as engineering, architecture, finance and administration costs for property tax calculation purposes.

Source: Developer's template.

- Construction materials cost estimated at **50%** of building costs. This cost is estimated for sales tax purposes. Source: Discussions with commercial developers in Nevada.
- The Developer's template showed construction costs in 2009 and 2011. The Consultant assumed 2/3 of the permanent facility's construction cost would occur in Year 2 or 2010 and 1/3 in Year 3 or 2011.

**APPENDIX 2**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**ESTIMATED PROPERTY TAX REVENUE AT**  
**2007 PROPERTY TAX RATE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>EST. REAL PROPERTY VALUE</u>	<u>EST. PERSONAL PROPERTY VALUE</u>	<u>CUMULATIVE PROPERTY VALUE</u>	<u>CUMULATIVE ASSESSED VALUE</u>	<u>DODGE CITY SCHOOL DIST. REVENUE</u>	<u>DODGE CITY REVENUE</u>	<u>FORD COUNTY REVENUE</u>	<u>STATE OF KANSAS REVENUE</u>
<b>Year 1</b>	Temp. Structure	\$ 5,900,000	\$ 10,541,000	\$ 16,441,000	\$ 4,110,250				
<b>Year 2</b>	Casino	8,782,197	2,423,474	27,823,672	6,955,918				
	Hotel	8,646,696	71,110	8,717,805	2,179,451				
	Restaurants	1,142,635	9,397	1,152,032	288,008				
	Entertainment	947,403	7,791	955,195	238,799				
	Retail	214,402	1,763	216,165	54,041				
<b>Subtotal</b>		<b>19,733,333</b>	<b>2,513,536</b>	<b>38,864,869</b>	<b>9,716,217</b>	<b>\$ 230,297</b>	<b>\$ 199,125</b>	<b>\$ 160,468</b>	<b>\$ 6,165</b>
<b>Year 3</b>	Casino	4,391,099	9,710,269	42,370,815	10,592,704				
	Hotel	4,323,348	1,638,344	14,938,899	3,734,725				
	Restaurants	571,318	216,502	1,974,131	493,533				
	Entertainment	473,702	179,511	1,636,829	409,207				
	Retail	107,201	40,624	370,422	92,605				
<b>Subtotal</b>		<b>9,866,667</b>	<b>11,785,250</b>	<b>61,291,096</b>	<b>15,322,774</b>	<b>\$ 544,400</b>	<b>\$ 470,712</b>	<b>\$ 379,331</b>	<b>\$ 14,574</b>
<b>Year 4</b>	Casino	-	-	42,961,697	10,740,424				
	Hotel	-	-	15,335,782	3,833,945				
	Restaurants	-	-	2,026,578	506,644				
	Entertainment	-	-	1,680,315	420,079				
	Retail	-	-	380,263	95,066				
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>62,384,635</b>	<b>15,596,159</b>	<b>\$ 858,535</b>	<b>\$ 742,327</b>	<b>\$ 598,216</b>	<b>\$ 22,984</b>
<b>Year 5</b>	Casino	-	-	43,570,306	10,892,576				
	Hotel	-	-	15,744,572	3,936,143				
	Restaurants	-	-	2,080,598	520,150				
	Entertainment	-	-	1,725,105	431,276				
	Retail	-	-	390,399	97,600				
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>63,510,980</b>	<b>15,877,745</b>	<b>\$ 873,853</b>	<b>\$ 755,572</b>	<b>\$ 608,890</b>	<b>\$ 23,394</b>
<b>TOTAL</b>		<b>\$ 35,500,000</b>	<b>\$ 24,839,786</b>			<b>\$ 2,507,085</b>	<b>\$ 2,167,736</b>	<b>\$ 1,746,905</b>	<b>\$ 67,118</b>

**APPENDIX 2, ASSUMPTIONS:**

1. Tax rate will remain constant at 2007 amount. Tax rates could decrease due to increase in assessed value but any change is at the discretion of the policy-making board and is not contemplated in this analysis.

<b>Entity-Fund</b>	<b>Tax Rate*</b>	<b>*rate per \$1,000 of assessed value.</b>
School District	\$ 56.0300	
City	\$ 48.4460	
County	\$ 39.0410	
State	\$ 1.5000	

Source: Ford County Administration Office. Rates include all funds for which property tax revenues are collected.

Meridian Business Advisors-September 2008

**APPENDIX 2**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**ESTIMATED PROPERTY TAX REVENUE AT**  
**2007 PROPERTY TAX RATE**

2. Properties are valued using the fair market value approach. As no comparable sales data exists and this is considered to be a "new and unique" property, the analysis uses the replacement cost approach to value these properties. Source: "A Homeowner's Guide to Property Tax in Kansas." Kansas Department of Revenue.
3. Assessed value estimated at **25%** of appraised value for both real and personal property.
4. Appraised value is inflated 3% annually for real property and not inflated for personal property to account for depreciation.
5. Property tax revenue is estimated in the year following construction and improvements to account for lien dates. Work-in-progress is included.

**APPENDIX 3**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**SALES TAX REVENUE**

<u>YEAR</u>		<u>SQUARE FT.</u> <u>BUILT</u>	<u>CONSTRUCTION</u> <u>MATERIALS</u> <u>COST</u>	<u>FF&amp;E</u> <u>PURCHASES</u>	<u>RETAIL</u> <u>SALES</u>	<u>TOTAL</u> <u>TAXABLE</u> <u>SALES</u>	<u>DODGE</u> <u>CITY</u> <u>REVENUE</u>	<u>FORD</u> <u>COUNTY</u> <u>REVENUE</u>	<u>STATE OF</u> <u>KANSAS</u> <u>REVENUE</u>
<b>Year 1</b>	Temp. Structure	-	\$ 2,950,000	\$ 10,541,000	\$ 286,801	\$ 13,777,801	\$ 137,778	\$ 227,334	\$ 730,223
<b>Year 2</b>	Casino	-	4,391,099	2,423,474	-	6,814,573			
	Hotel	-	4,323,348	71,110	-	4,394,458			
	Restaurants	-	571,318	9,397	1,094,640	1,675,354			
	Entertainment	-	473,702	7,791	-	481,493			
	Retail	-	107,201	1,763	-	108,964			
<b>Subtotal</b>		-	<b>9,866,667</b>	<b>2,513,536</b>	<b>1,094,640</b>	<b>13,474,842</b>	<b>\$ 134,748</b>	<b>\$ 222,335</b>	<b>\$ 714,167</b>
<b>Year 3</b>	Casino	87,043	2,195,549	9,710,269	-	11,905,818			
	Hotel	85,700	2,161,674	1,638,344	-	3,800,018			
	Restaurants	11,325	285,659	216,502	5,473,199	5,975,360			
	Entertainment	9,390	236,851	179,511	-	416,361			
	Retail	2,125	53,600	40,624	1,187,116	1,281,340			
<b>Subtotal</b>		<b>195,583</b>	<b>4,933,333</b>	<b>11,785,250</b>	<b>6,660,315</b>	<b>23,378,898</b>	<b>\$ 233,789</b>	<b>\$ 385,752</b>	<b>\$ 1,239,082</b>
<b>Year 4</b>	Casino	-	-	-	-	-			
	Hotel	-	-	-	-	-			
	Restaurants	-	-	-	5,639,780	5,639,780			
	Entertainment	-	-	-	-	-			
	Retail	-	-	-	1,224,391	1,224,391			
<b>Subtotal</b>		-	-	-	<b>6,864,171</b>	<b>6,864,171</b>	<b>\$ 68,642</b>	<b>\$ 113,259</b>	<b>\$ 363,801</b>
<b>Year 5</b>	Casino	-	-	-	-	-			
	Hotel	-	-	-	-	-			
	Restaurants	-	-	-	5,801,720	5,801,720			
	Entertainment	-	-	-	-	-			
	Retail	-	-	-	1,259,171	1,259,171			
<b>Subtotal</b>		-	-	-	<b>7,060,891</b>	<b>7,060,891</b>	<b>\$ 70,609</b>	<b>\$ 116,505</b>	<b>\$ 374,227</b>
<b>TOTAL</b>		<b>195,583</b>	<b>\$ 17,750,000</b>	<b>\$ 24,839,786</b>	<b>\$ 21,966,818</b>	<b>\$ 64,556,603</b>	<b>\$ 645,566</b>	<b>\$ 1,065,184</b>	<b>\$ 3,421,500</b>

**APPENDIX 3, ASSUMPTIONS:**

- Sales tax rate is as follows:
 

	<u>Designation</u>
1.000%	City
1.650%	County
5.300%	State
<b>7.950%</b>	<b>TOTAL</b>

Source: "All Jurisdictions and Rates in this Zip Code." Kansas Department of Revenue.

- Materials Cost - 50% of construction cost is assumed to be materials cost.

Source: Discussion with Nevada contractors



**APPENDIX 3**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**SALES TAX REVENUE**

3. Retail sales based on revenue projections contained in Developer's template and include F&B and retail. Year 1 retail sales based on 67% of that reflected on template since temporary casino opens May 1, 2009.
4. The Developer does not estimate entertainment tax revenue.
5. Room tax revenue estimated in Appendix 6.

**APPENDIX 4**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**LOTTERY GAMING CONTRIBUTION REVENUE**

<u>YEAR</u>		<u>ESTIMATED GAMING REVENUE</u>	<u>DODGE CITY REVENUE</u>	<u>FORD COUNTY REVENUE</u>	<u>STATE OF KANSAS REVENUE</u>	<u>STATE PROB. GAMBLING REVENUE</u>
<b>Year 1</b>	Casino	\$ 11,161,840	\$ 167,428	\$ 167,428	\$ 2,455,605	\$ 223,237
<b>Year 2</b>	Casino	16,742,759	251,141	251,141	3,683,407	334,855
<b>Year 3</b>	Casino	32,660,380	489,906	489,906	7,185,284	653,208
<b>Year 4</b>	Casino	48,578,000	728,670	728,670	10,687,160	971,560
<b>Year 5</b>	Casino	49,792,450	746,887	746,887	10,954,339	995,849
<b>TOTAL</b>		<b>\$ 2,384,031</b>	<b>\$ 2,384,031</b>	<b>\$ 34,965,794</b>	<b>\$ 3,178,709</b>	

**APPENDIX 4, ASSUMPTIONS:**

- Estimated Gross Gaming Revenue (GGR) is the average GGR estimated in Wells and Cummings reports:

Wells GGR \$ 57,056,000  
Cummings GGR 40,100,000  
**Average \$ 48,578,000**

Source: Wells Gaming Research and Cummings Associates revenue forecasts of August 2008.

- Local government revenue is estimated as follows:

State of Kansas	<b>22.0%</b>	of all lottery gaming revenues.
State Prob. Gambling	<b>2.0%</b>	of all lottery gaming revenues.
Ford County	<b>1.5%</b>	of all lottery gaming revenues.
Dodge City	<b>1.5%</b>	of all lottery gaming revenues.

Source: SB 66.

- Year 4 assumes first full year of operation for the permanent facility, some gaming operation is estimated prior to this date based on the percentage of square footage of temporary facility of permanent facility and its estimated revenue.

**APPENDIX 5**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**STATE INCOME TAX REVENUE**

<u>YEAR</u>		<u>ESTIMATED ANNUAL PAYROLL EXPENDITURES</u>	<u>ESTIMATED PAYROLL/ EMPLOYEE</u>	<u>STATE OF KANSAS INCOME TAX REVENUE</u>
<b>Year 1</b>	Construction	\$ 1,072,224	\$ 35,040	\$ 54,700
	Operating	5,028,819	23,871	227,401
<b>Subtotal</b>		<b>6,101,043</b>	<b>58,911</b>	<b>282,101</b>
<b>Year 2</b>	Construction	3,574,080	35,040	182,333
	Operating	7,719,962	24,430	352,148
<b>Subtotal</b>		<b>11,294,042</b>	<b>59,470</b>	<b>534,481</b>
<b>Year 3</b>	Construction	2,501,856	35,040	127,633
	Operating	10,370,172	23,542	466,430
<b>Subtotal</b>		<b>12,872,028</b>	<b>58,582</b>	<b>594,063</b>
<b>Year 4</b>	Construction	-	-	-
	Operating	10,660,537	24,201	484,577
<b>Subtotal</b>		<b>10,660,537</b>	<b>24,201</b>	<b>484,577</b>
<b>Year 5</b>	Construction	-	-	-
	Operating	10,959,032	24,879	503,233
<b>Subtotal</b>		<b>10,959,032</b>	<b>24,879</b>	<b>503,233</b>
<b>TOTAL</b>		<b>\$ 51,886,683</b>	<b>\$</b>	<b>2,398,455</b>

**APPENDIX 5, ASSUMPTIONS:**

1. Construction salary per employee is estimated at \$ **35,040** excluding benefits per Developer template. Salary is held constant through the analysis per Developer's template. Year 1 (2009) includes payroll information for the last quarter of 2008, for a total of 5 quarters.
2. Operating salary per employee is estimated at \$ **23,542** excluding benefits per Developer template. Salary is inflated by 3% annually per Developer's template.
3. Personal income tax revenue for the State is estimated as follows, using a 2007 schedule:  
For a single person:  
Taxable income between \$0 and \$15,000 is taxed at 3.5%  
Taxable income between \$15,000 and \$30,000 is taxed at 6.25% plus the tax calculated on the first \$15,000  
Taxable income over \$30,000 is taxed at 6.45% plus the tax calculated on the first \$30,000  
Source: Kansas Department of Revenue. 2007 Kansas Individual Income Tax schedule.

**APPENDIX 6**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**TRANSIENT GUEST TAX REVENUE**

<u>YEAR</u>		<u># OF ROOMS</u>	<u>ESTIMATED ANNUAL ROOM REVENUE</u>	<u>DODGE CITY REVENUE</u>	<u>FORD COUNTY REVENUE</u>	<u>STATE OF KANSAS REVENUE</u>
Year 1	Hotel	0	\$ -	\$ -	\$ -	\$ -
Year 2	Hotel	0	-	-	-	-
Year 3	Hotel	125	2,061,666	144,317	34,017	109,268
Year 4	Hotel	125	4,438,609	310,703	73,237	235,246
Year 5	Hotel	125	4,719,066	330,335	77,865	250,110
<b>TOTAL</b>			<b>\$ 11,219,341</b>	<b>\$ 785,354</b>	<b>\$ 185,119</b>	<b>\$ 594,625</b>

**APPENDIX 6, ASSUMPTIONS:**

1. Transient Guest Tax rate is as follows:

Distribution

7.000% City

1.650% County

5.300% State

**13.950% TOTAL**

Source: "Transient Guest Tax Rates, Effective Dates, and Number of Active Accounts." Kansas Department of Revenue.

2. Room revenue based on **125** rooms as shown in the Developer's template.

**APPENDIX 7**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**SUMMARY OF ESTIMATED REVENUE**

<u>YEAR</u>		<u>STATE OF KANSAS</u>	<u>FORD COUNTY</u>	<u>DODGE CITY</u>	<u>DODGE CITY SCHOOL DIST.</u>
<b>Year 1</b>	Property Tax	\$ -	\$ -	\$ -	\$ -
	Sales Tax Revenue	730,223	227,334	137,778	-
	Gaming Revenue	2,678,841	167,428	167,428	-
	Income Tax Revenue	282,101	-	-	-
	Transient Guest Tax	-	-	-	-
<b>Subtotal</b>		<b>3,691,166</b>	<b>394,761</b>	<b>305,206</b>	<b>-</b>
<b>Year 2</b>	Property Tax	6,165	160,468	199,125	230,297
	Sales Tax Revenue	714,167	222,335	134,748	-
	Gaming Revenue	4,018,262	251,141	251,141	-
	Income Tax Revenue	534,481	-	-	-
	Transient Guest Tax	-	-	-	-
<b>Subtotal</b>		<b>5,273,075</b>	<b>633,945</b>	<b>585,015</b>	<b>230,297</b>
<b>Year 3</b>	Property Tax	14,574	379,331	470,712	544,400
	Sales Tax Revenue	1,239,082	385,752	233,789	-
	Gaming Revenue	7,838,491	489,906	489,906	-
	Income Tax Revenue	594,063	-	-	-
	Transient Guest Tax	109,268	34,017	144,317	-
<b>Subtotal</b>		<b>9,795,478</b>	<b>1,289,006</b>	<b>1,338,723</b>	<b>544,400</b>
<b>Year 4</b>	Property Tax	22,984	598,216	742,327	858,535
	Sales Tax Revenue	363,801	113,259	68,642	-
	Gaming Revenue	11,658,720	728,670	728,670	-
	Income Tax Revenue	484,577	-	-	-
	Transient Guest Tax	235,246	73,237	310,703	-
<b>Subtotal</b>		<b>12,765,329</b>	<b>1,513,382</b>	<b>1,850,341</b>	<b>858,535</b>
<b>Year 5</b>	Property Tax	23,394	608,890	755,572	873,853
	Sales Tax Revenue	374,227	116,505	70,609	-
	Gaming Revenue	11,950,188	746,887	746,887	-
	Income Tax Revenue	503,233	-	-	-
	Transient Guest Tax	250,110	77,865	330,335	-
<b>Subtotal</b>		<b>13,101,153</b>	<b>1,550,146</b>	<b>1,903,402</b>	<b>873,853</b>
<b>TOTAL</b>		<b>\$ 44,626,201</b>	<b>\$ 5,381,240</b>	<b>\$ 5,982,687</b>	<b>\$ 2,507,085</b>

**APPENDIX 7, ASSUMPTIONS:**

1. State of Kansas revenue includes 2% gaming contribution revenue for problem gambling fund.

**APPENDIX 8**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**FORD COUNTY**  
**SHERIFF DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>ESTIMATED POPULATION</u>	<u>COMMISSIONED POSITIONS</u>	<u>NON-COM POSITIONS</u>	<u>SALARIES &amp; BENEFITS</u>	<u>SERVICES/ SUPPLIES</u>	<u>CAPITAL EQUIPMENT</u>	<u>TOTAL COST</u>
Year 1	1,074	1.8	0.5	\$ 89,920	\$ 12,038	\$ -	\$ 101,957
Year 2	1,186	2.0	0.5	102,274	13,692	24,878	140,843
Year 3	1,841	3.2	0.8	163,457	21,882	-	185,340
Year 4	2,160	3.7	0.9	197,580	26,451	26,393	250,424
Year 5	2,160	3.7	0.9	203,508	27,244	-	230,752
<b>TOTAL</b>				<b>\$ 756,739</b>	<b>\$ 101,307</b>	<b>\$ 51,271</b>	<b>\$ 909,317</b>

**APPENDIX 8, ASSUMPTIONS:**

- Estimated population includes half the commuting employees and daily visitors to the development (See Appendix 16 for calculation).
- Commissioned positions are estimated using a ratio of **1.72** employees per 1,000 population as estimated below  
Non-commissioned positions are estimated using a ratio of **0.43** employee per 1,000 population as estimated below

<u>Position</u>	<u># of FTEs</u>	<u>FTE's per 1,000</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total Cost/FTE</u>
Sheriff*	1	0.00	\$ -	\$ -	\$ -
Undersheriff*	1	0.00	-	-	-
CEO*	1	0.00	-	-	-
Captain	4	0.12	51,584	18,054	69,638
Sergeant	9	0.27	39,938	13,978	53,917
Deputies/Officers	34	1.01	32,550	11,392	43,942
Deputies/Officers PT**	1	0.03	26,510	-	26,510
Non-com.	10	0.30	26,004	9,101	35,106
Non-com PT**	4.5	0.13	24,354	-	24,354
<b>Total Com.</b>	<b>51.0</b>	<b>1.72</b>			
<b>Total Non-com.</b>	<b>14.5</b>	<b>0.43</b>			

\*Not included in the above ratios as additional positions are not estimated.

\*\*2 part time employees are assumed to make up a single employee for salary purposes if work 20 hours/week, and 4 employees if 10hrs/week.

County population is estimated at **33,783** in 2006.

Benefits are estimated at **35.0%** of salary costs, except for part-time employees, no benefits are estimated for these employees.

Salaries for each position are estimated using a weighted average salary of all actual salaries for all positions within the department and inflated annually by **3%**

Source: FTE, salary and benefits data from Ford County Administrator's Office. County population from US Census Bureau "State & County Quick Facts."

- Services/supplies are estimated at **3.4%** of salaries and benefits using data below, plus another 10% for office supplies for a total of **13%**  
**2008** **2008\*** \*2007 costs provided are inflated by 3% to estimate 2008 costs.

FT Salaries/Bens.	\$ 2,220,660	Vehicle Repairs	\$ 38,300
PT Salaries	127,983	Uniforms/Training	41,256
<b>Total Salaries</b>	<b>\$ 2,348,643</b>		

- One vehicle is estimated to be required for every 2 positions at a cost of  
Source: Ford County Administrator's Office.

\$ **23,450** Source: Ford County Administrator's Office.  
inflated 3% annually, replaced every 3 years.

**APPENDIX 9**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**FORD COUNTY/DODGE CITY**  
**ROAD/STREET DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>TOTAL ESTIMATED COST</u>		<u>DEVELOPER'S PORTION</u>		<u>CITY'S PORTION</u>	
Year 1	\$	-	\$	-	\$	-
Year 2		-		-		-
Year 3		-		-		-
Year 4		-		-		-
Year 5		-		-		-
<b>TOTAL</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

**APPENDIX 9, ASSUMPTIONS**

1. No new County roads are estimated, as the Roads Department assumes all roads constructed by the development will remain with the developer for maintenance, additional costs will be incurred if dedicated to County for maintenance. Source: Ford County Administrator's Office.
2. Costs associated with construction and maintenance of new City streets is unknown. This cost was not available from the City and the cost information provided by the two Dodge City developers differed significantly. It was unreasonable to compare such different estimates; therefore, no costs for street improvements are estimated, though costs are expected.

**APPENDIX 10**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY**  
**WATER AND SEWER DEPARTMENT COST PROJECTIONS**

<b><u>YEAR</u></b>	<b><u>TOTAL ESTIMATED COST</u></b>		<b><u>DEVELOPER'S PORTION</u></b>		<b><u>CITY'S PORTION</u></b>	
<b>Year 1</b>	\$	-	\$	-	\$	-
<b>Year 2</b>		-		-		-
<b>Year 3</b>		-		-		-
<b>Year 4</b>		-		-		-
<b>Year 5</b>		-		-		-
<b>TOTAL</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

**APPENDIX 10, ASSUMPTIONS**

1. No new County roads are estimated, as the Roads Department assumes all roads constructed by the development will remain with the developer for maintenance, additional costs will be incurred if dedicated to County for maintenance. Source: Ford County Administrator's Office.
2. Costs associated with construction and maintenance of new City streets is unknown. This cost was not available from the City and the cost information provided by the two Dodge City developers differed significantly. It was unreasonable to compare such different estimates; therefore, no costs for street improvements are estimated, though costs are expected.



**APPENDIX 11**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY**  
**POLICE DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>ESTIMATED POPULATION</u>	<u># OF UNIFORMED POSITIONS</u>	<u># OF CLERICAL POSITIONS</u>	<u>SALARIES &amp; BENEFITS</u>	<u>SERVICES/ SUPPLIES</u>	<u>CAPITAL EQUIPMENT</u>	<u>TOTAL COST</u>
Year 1	1,074	1.7	0.5	\$ 106,556	\$ 14,265	\$ 24,154	\$ 144,974
Year 2	1,186	1.9	0.5	121,196	16,225	-	137,421
Year 3	1,841	3.0	0.8	193,700	25,931	-	219,631
Year 4	2,160	3.5	1.0	234,136	31,344	52,786	318,267
Year 5	2,160	3.5	1.0	241,160	32,285		273,445
<b>TOTAL</b>				<b>\$ 896,747</b>	<b>\$ 120,050</b>	<b>\$ 76,940</b>	<b>\$ 1,093,737</b>

**APPENDIX 11, ASSUMPTIONS:**

- Estimated population includes half the commuting employees and daily visitors to the development (See Appendix 16 for calculation).
- Uniformed positions are estimated using a ratio of **1.61** employees per 1,000 population as estimated below  
Clerical positions are estimated using a ratio of **0.46** employee per 1,000 population as estimated below

<u>Position</u>	<u># of FTEs</u>	<u>FTE's per 1,000</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total Cost/FTE</u>
Chief of Police*	1	<b>0.00</b>	\$ -	\$ -	\$ -
Department Supervisors*	5	<b>0.00</b>	-	-	-
Sergeant	5	<b>0.19</b>	39,938	13,978	<b>53,917</b>
Officers	37	<b>1.42</b>	32,087	11,230	<b>43,317</b>
Detectives	6	<b>0.23</b>	35,780	12,523	<b>48,303</b>
Clerical	12	<b>0.46</b>	21,670	7,585	<b>29,255</b>
<b>Total Uniformed</b>	<b>48.0</b>	<b>1.61</b>			
<b>Total Clerical</b>	<b>12.0</b>	<b>0.46</b>			

\*Not included in the above ratios as additional positions are not estimated.

City population is estimated at **26,101** in 2006.

Benefits are estimated at **35.0%** of salary costs, except for part-time employees, no benefits are estimated for these employees.

Source: FTE information from "Dodge City Police Department" Organizational Chart from Dodge City website. Salary and benefits data from Ford County Administrator's Office (Dodge City data was not available). City population from US Census Bureau "State & County Quick Facts."

- Services/supplies are estimated at **3.4%** of salaries and benefits using data below, plus another 10% for office supplies for a total of **13%**  
**2008** **2008\*** \*2007 costs provided are inflated by 3% to estimate 2008 costs.

<b>FT Salaries/Bens.</b>	<b>\$ 2,220,660</b>	<b>Vehicle Repairs</b>	<b>\$ 38,300</b>
<b>PT Salaries</b>	<b>127,983</b>	<b>Uniforms/Training</b>	<b>41,256</b>
<b>Total Salaries</b>	<b>\$ 2,348,643</b>		<b>\$ 79,555</b>

Source: Ford County Administrator's Office. Data for Dodge City was unavailable.

- One vehicle is estimated to be required for every 2 positions at a cost of **\$ 23,450** inflated 3% annually, replaced every 3 years.

Source: Ford County Administrator's Office. Data for Dodge City was unavailable.

**APPENDIX 12**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY**  
**FIRE DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>ESTIMATED POPULATION</u>	<u># OF UNIFORMED POSITIONS</u>	<u>SALARIES &amp; BENEFITS</u>	<u>SERVICES/ SUPPLIES</u>	<u>CAPITAL EQUIPMENT</u>	<u>TOTAL COST</u>
Year 1	1,074	0.8	\$ 40,140	\$ 5,155	\$ -	\$ 45,295
Year 2	1,186	0.9	46,098	5,920	-	52,018
Year 3	1,841	1.3	74,390	9,554	-	83,944
Year 4	2,160	1.6	90,793	11,661	-	102,453
Year 5	2,160	1.6	94,424	12,127	-	106,551
<b>TOTAL</b>			<b>\$ 345,844</b>	<b>\$ 44,417</b>	<b>\$ -</b>	<b>\$ 390,261</b>

**APPENDIX 12, ASSUMPTIONS:**

- Estimated population includes half the commuting employees and daily visitors to the development (See Appendix 16 for calculation).
- New positions are estimated using a ratio of **0.73** employees per 1,000 population as estimated below

<u>Position</u>	<u># of FTEs</u>	<u>FTE's per 1,000</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total Cost/FTE</u>
Fire Chief*	1	<b>0.00</b>	\$ -	\$ -	\$ -
Chief Officers*	2	<b>0.00</b>	-	-	-
Captains*	3	<b>0.00</b>	-	-	-
Engineers	6	<b>0.23</b>	38,553	13,243	<b>51,795</b>
Fire Fighters	13	<b>0.50</b>	35,890	12,328	<b>48,218</b>
<b>Total</b>	<b>12.0</b>	<b>0.73</b>			

\*Not included in the above ratios as additional positions are not estimated.

City population is estimated at **26,101** in 2006.

Salary and benefits costs are increased 4% annually. Benefits are estimated at **34%** of salary.

Source: "Fire/EMS" Questionnaire provided by Gus Collins, City Manager, Wellington, Kansas. Dodge City data was not available.

- Services/supplies are estimated at **13%** of salaries and benefits.

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Average</b>
<b>Personnel Services</b>	\$ 1,279,805	\$ 1,296,456	\$ 1,326,777	\$ 1,301,013
<b>Contractual</b>	81,533	81,873	93,846	85,751
<b>Commodities</b>	75,267	83,250	85,500	81,339
<b>% of PS</b>	12%	13%	14%	13%

Source: City of Wellington Budget. Three year average contractual and commodities costs as percent of personnel services costs (2006-2008) for the Fire & Ambulance department. Data for Dodge City was not available.

- Capital equipment requirements are unknown as Dodge City data was unavailable. Additional workspace, station, or equipment may be required.

**APPENDIX 13**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY**  
**SUMMARY OF ESTIMATED COSTS**

<u>YEAR</u>	<u>STREETS DEPARTMENT</u>	<u>WATER/SEWER DEPARTMENT</u>	<u>POLICE DEPARTMENT</u>	<u>FIRE/EMS DEPARTMENT</u>	<u>ADMIN. OVERHEAD</u>	<u>TOTAL COSTS</u>
Year 1	\$ -	\$ -	\$ 144,974	45,295	\$ 39,195	\$ 229,464
Year 2	-	-	137,421	52,018	39,024	228,463
Year 3	-	-	219,631	83,944	62,536	366,110
Year 4	-	-	318,267	102,453	86,667	507,387
Year 5	-	-	273,445	106,551	78,278	458,274
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,093,737</b>	<b>\$ 390,261</b>	<b>\$ 305,701</b>	<b>\$ 1,789,698</b>

**APPENDIX 13, ASSUMPTIONS:**

- See Appendices 9-12 for detailed calculations of all department costs.
- Administrative overhead costs estimated at **21%** of all department costs estimated in this analysis.  
Source: City of Wellington Budget. Three-year average indirect costs as percent of direct costs (2006-2008) for the General Fund.  
City of Wellington data is used as Dodge City data was not available.

<b>Direct</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Average</b>
Police	1,254,091	1,273,666	1,317,991	1,281,916
Fire/Ambulance	1,443,305	1,469,579	1,506,123	1,473,002
Auditorium	39,030	31,700	30,500	33,743
Park	212,473	240,515	243,470	232,153
Swimming Pool	40,927	26,425	44,100	37,151
Street	717,887	828,742	886,689	811,106
Cemetery	77,933	97,264	105,958	93,718
Engineering	304,034	320,833	335,425	320,097
Legal	124,565	129,395	131,522	128,494
Lake	120,439	145,024	144,237	136,567
<b>Total</b>	<b>4,334,684</b>	<b>4,563,143</b>	<b>4,746,015</b>	<b>4,547,947</b>
<b>Indirect</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Average</b>
Mayor/Council	14,709	21,221	21,521	19,150
City Manager	110,341	137,345	183,057	143,581
City Clerk	278,651	294,493	318,137	297,094
Utility Collections	247,651	280,901	284,417	270,990
Public Works	84,277	88,296	98,176	90,250
General Services	69,527	79,005	71,216	73,249
Janitorial	43,487	44,577	39,601	42,555
<b>Total</b>	<b>848,643</b>	<b>945,838</b>	<b>1,016,125</b>	<b>936,869</b>
<b>% Indirect of Direct</b>	<b>20%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>

**APPENDIX 14**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY SCHOOL DISTRICT**  
**ESTIMATED COSTS**

<u>YEAR</u>	<u># OF NEW STUDENTS</u>	<u># OF NEW STUDENTS OVER CAPACITY</u>	<u>SALARIES/ BENEFITS COSTS</u>	<u>SERVICES/ SUPPLIES COSTS</u>	<u>CAPITAL CONSTRUCTION COSTS</u>	<u>ESTIMATED TOTAL COSTS</u>
Year 1	443	148	\$ 1,716,972	\$ 798,084	\$ 1,935,771	\$ 4,450,827
Year 2	443	148	1,777,066	826,017	-	2,603,083
Year 3	617	322	2,563,910	1,191,758	2,425,525	6,181,193
Year 4	617	322	2,653,647	1,233,470	-	3,887,117
Year 5	617	322	2,746,525	1,276,641	-	4,023,166
<b>TOTAL</b>			<b>\$ 11,458,120</b>	<b>\$ 5,325,970</b>	<b>\$ 4,361,296</b>	<b>\$ 21,145,386</b>

**APPENDIX 14, ASSUMPTIONS:**

- The analysis uses a student per household ratio of **1.56** to estimate the number of new students added to the school district by this development. The analysis assumes each employee who moves to the area will represent a household (See Appendix 16). Above ratio calculated as a weighted average of 1.7 students per household for service sector and 1.0 per household for skilled positions.  
Source: Dodge City School District Superintendent's Office.
- Students will be added to each school level using the following ratios:

	<b>% of Students</b>	<b>New of Students*</b>	<b>*at full operation</b>
Pre School	15.0%	93	
Elementary	30.0%	185	
Intermediate	20.0%	123	
Middle School	20.0%	123	
High School	<u>15.0%</u>	<u>93</u>	
<b>Total</b>	<b>100.0%</b>	<b>617</b>	

Source: Dodge City School District Superintendent's Office.

- The following capacity exists at each school level to absorb new students:

	<b>Existing Capacity</b>	<b>New Students</b>	<b># of Students over Capacity</b>
Pre School	1	93	92
Elementary	185	185	0
Intermediate	47	123	76
Middle School	0	123	123
High School	<u>62</u>	<u>93</u>	<u>31</u>
<b>Total</b>	<b>295</b>	<b>617</b>	<b>322</b>

Source: Dodge City School District Superintendent's Office.

No capital outlay costs are estimated for the new students absorbed by existing capacity; operating costs are estimated all for new students.

**APPENDIX 14**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY SCHOOL DISTRICT**  
**ESTIMATED COSTS**

4. Salaries and benefits are estimated as follows:

<b>Position</b>	<b># of Positions</b>	<b>Salary Costs</b>	<b>Benefits Costs</b>	<b>Total Costs</b>
Professional Staff	20	\$ 47,500	\$ 11,875	\$ 59,375
Support Staff	<u>30</u>	30,000	7,500	37,500
<b>Total</b>	<b>50</b>			
Salaries are inflated	<b>3.5%</b>	annually based on weighted average salary increase for professional and support staff.		
Benefits estimated at	<b>25%</b>	of salaries.		

Source: Dodge City School District Superintendent's Office.

5. School services and supplies are estimated at **46%** of salary/benefits costs.

	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>Average</b>
Instruction (I)	20,180,608	18,907,806	19,869,347	19,652,587
Operations/Maint. (OM)	8,283,539	9,263,398	9,857,842	9,134,926
Capital Improv. (CI)	-	-	-	-
<b>OM % of I</b>	<b>41%</b>	<b>49%</b>	<b>50%</b>	<b>46%</b>
<b>CI % of I</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

Source: "Budget at a Glance 2007-08." Dodge City Public Schools.

6. Analysis assumes new classrooms will be required to service students. Each classroom will have capacity for students and will be constructed at a cost of \$ **280,000** inflated 3% annually.

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Source: Dodge City School District Superintendent's Office.

**APPENDIX 15**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**DODGE CITY SCHOOL DISTRICT**  
**ESTIMATED SURPLUS/DEFICIT**

<u>YEAR</u>	<u>GENERAL</u> <u>STATE AID</u>	<u>LOCAL</u> <u>EFFORT</u>	<u>TOTAL</u> <u>CONTRIBUTION</u>	<u>TOTAL</u> <u>COSTS</u>	<u>ANNUAL</u> <u>SURPLUS/</u> <u>(DEFICIT)</u>	<u>CUMULATIVE</u> <u>SURPLUS/</u> <u>(DEFICIT)</u>
<b>Year 1</b>	\$ 1,936,222	\$ -	\$ 1,936,222	\$ 4,450,827	\$ (2,514,605)	\$ (2,514,605)
<b>Year 2</b>	1,705,925	230,297	1,936,222	2,603,083	(666,861)	(3,181,465)
<b>Year 3</b>	2,154,670	544,400	2,699,070	6,181,193	(3,482,124)	(6,663,589)
<b>Year 4</b>	1,840,535	858,535	2,699,070	3,887,117	(1,188,047)	(7,851,636)
<b>Year 5</b>	1,825,217	873,853	2,699,070	4,023,166	(1,324,096)	(9,175,732)
<b>TOTAL</b>	<b>\$ 9,462,569</b>	<b>\$ 2,507,085</b>	<b>\$ 11,969,654</b>	<b>\$ 21,145,386</b>	<b>\$ (9,175,732)</b>	

**APPENDIX 15, ASSUMPTIONS:**

1. State general aid amount is estimated by subtracting revenue generated through the "local effort" from the State Financial Aid amount estimated by the state. State Financial Aid amount (shown above as Total Contribution) is estimated at \$ **4,374** per pupil using an FY 2007-08 rate. Source: "School District Finance and Quality Performance Act and Bond and Interest State Aid Program." 2007-08 Edition. Kansas Legislative Research Department.
2. Local Effort includes school districts' property tax revenue only, other revenue sources are a small percentage of the total and are not estimated. Property tax revenue estimated for the School District in Appendix 2.
3. Operating and capital construction costs for school district is estimated in Appendix 14.

**APPENDIX 16**  
**DODGE CITY RESORT & GAMING COMPANY, LLC**  
**ESTIMATED NUMBER OF DAILY VISITORS,**  
**EMPLOYEES AND RESIDENTS REQUIRING SERVICES**

<b>YEAR</b>	<b>ESTIMATED TOTAL NO. OF EMPLOYEES</b>	<b>EMPLOYEES RESIDING OUTSIDE CO.</b>	<b>NEW EMPLOYEES MOVING TO THE AREA</b>	<b>NEW RESIDENTS RESULTING FROM EMPLOYEES</b>	<b>ESTIMATED NO. OF DAILY VISITORS</b>	<b>NEW PEOPLE REQUIRING SERVICES</b>
<b>Year 1</b>	316	32	284	550	448	1,074
<b>Year 2</b>	316	32	284	550	672	1,186
<b>Year 3</b>	441	45	396	767	1,311	1,841
<b>Year 4</b>	441	45	396	767	1,950	2,160
<b>Year 5</b>	441	45	396	767	1,950	2,160

**APPENDIX 15, ASSUMPTIONS:**

*1. Employees:*

- a. The permanent facility is estimated to require **441** employees.  
The temporary facility is estimated to require **316** employees.

Source: Developer's final template.

- b. Approximately **90%** of all employees will live in Ford County, based on historical work-residence data.

Source: US Census Bureau. County-To-County Worker Flow Files. 2000, Kansas City Counties. Data for Ford County.

- c. Analysis assumes new employees moving to the area will have families, resulting in more residents to the County. Family members of new employees are added using a ratio of **1.94** additional members per new employee.

Source: US Department of Labor, Bureau of Labor Statistics. American FactFinder. By County. Data for Dodge City.

*2. Residents:*

The development will not include a residential component and therefore no residents are estimated for the development.

*3. Visitors:*

- a. Report by Richard Wells estimated approximately **2,296** daily visitors to the development, some of which will be local residents. Will Cummings' report estimated approximately **1,662** daily visitors to the development, including local residents. The analysis uses the average of these **1,979**

Source: Wells Gaming Research and Cummings Associates visitor forecasts of August 2008.

Developer's application estimates a locals penetration rate of **31.0%** with approximately **33,783** County residents in 2006. The analysis assumes number of local visitors at **10,473** or approximately

**28.7** visits a day. The analysis assumes no additional costs associated with these local visitors, costs are estimated only for the **1,950** non-local visitors in Year 4, first full year of operations. Visitors prior to this period are added based on the percentage of square footage of temporary facility of permanent facility multiplied by its estimated revenue.

Source: Customer penetration information from the template provided by the developer. Population information from US Census Bureau, "State & County Quick Facts."

*4. Impacts:*

Total people in the area requiring services at any one time estimated as follows:

**50%** of all commuting employees and daily visitors.

**100%** of all new employees/residents moving to the County.

To determine the cost of services, the analysis considers visitors and commuting employees as residents and assumes 1/2 of them will require services.